

Existing law (R.S. 17:3361) authorizes (within certain specified guidelines, procedures, and limitations) each of the state's four postsecondary education management boards to grant leases (for a term not to exceed 99 years) for any portion of the grounds or campus of any college or university or of other immovable property under its supervision and management to any of the following:

- (1) An organized national or local college or university fraternity or sorority.
- (2) A religious, quasi religious, or benevolent organization or other nonprofit corporation or association.
- (3) A military organization under the supervision of the state of Louisiana or of the United States of America.
- (4) A public body.
- (5) A private entity, provided that the entity is obligated under the terms of the lease agreement to construct improvements on the leased premises which will further the educational, scientific, research, or public service functions of the board.

New law retains existing law. Relative to the granting of a lease to a private entity, new law adds a requirement that the entity be selected pursuant to a competitive bid or competitive proposal process.

Existing law states also that each board may permit the lessees to erect, construct, and maintain thereon fraternity or sorority houses or homes, student centers, facilities for religious worship and instruction, armories, storehouses, and other structures. Specifies that contracts entered into by a private lessee for the performance of work on the leased premises or the erection, construction, or maintenance of improvements on the leased premises shall not constitute public works contracts. Specifically exempts such leases from